G. R. S. 58

Previous references.

B [illegible] 09 & 6+½ B 11-08

File No. 8-09

1909-10

Serial Nos. 26, 27, 32, 33, 34

(Banking)

Later references.

C [illegible] 10 31-2-1-10

B [illegible] 11 88 (4+5), 21-24 B 9-10

B 5-11 887-8 B May 1912

Bank 8-12 85 5-6 B Nov 12.

Jte 225-17-11

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 26, 27, ~~33 34~~ 32-34.

Part B. for September 1910.

SUBJECT.

Agricultural Bank at Velikmasalai.

---

26. From the D.C. Kadur Dt. No 355. d. 12-3-10 submits for orders the application of Chandri Gowda regarding the repayment of the loan due to the above Bank.

27 To D.C. Kadur Dt. No. H. 5055 d. 12-4-10. Requests to be informed whether he considers the properties mortgaged to the Bank by Mr. Chandri Gowda, at present, are by themselves sufficient security for the loan at their present valuation.

32. From the D.C. Kadur Dt. No 390 d. 11-4-10. States that Mr. Chandre Gowda has paid up on the 6th inst Rs 8333-8-8 the full amount of principal due by him, and requests orders in the matter of the remission of interest as prayed for by Chandre Gowda.

GPB—6,000—7-5-07

33. From the D.C. Kadur Dt. No. 405 d. 16-4-10. reports that the properties mortgaged to the Bank by Mr. Chandre Gowda, are at present by themselves sufficient security for the loan at their present valuation

P T.O

34 To the D.C. Kadur Dt
" Hassan Dt
" Comptroller

No. H. 1232-4 d. 5.9.10.

remits the interest due by the appelant and directs that his accounts be closed.

G.R.S. 11]

190 9—10

GENERAL AND REVENUE SECRETARIAT.

(Banking

NOTES.

File No. 8

FILE HEADING.

Agricultural Bank at Chik magalur

From

The Dy Commr, Kadur Dt

No. 3573 Dated 12-3-10 Received 18-3-10

Diary No. 3729	Enclos.	Spare Copies	Serial No. 26

BRIEF ABSTRACT OF LETTER.

Submits for orders the application of Bhandre Gowda regarding the repayment of the loan due to the above bank

NOTES AND ORDERS.

Mr Bhandre Gowda's prayer is that in case Govt are agreeable to forgo their claims for interest he will make immediate payment of the principal amount

NOTES—First sheet

GPB—30,000—3-4-07.

Serial No.

due by him to the Bank
— perhaps the most liberal
offer yet made by Govt from
any of these indebted members
for compounding their debts
It is stated by the Dy Commr
that this member is thoroughly
solvent & his estate is in a
splendid condition & there is
no fear of Govt loosing its
money by sticking to their
original contract of recovering
payment of their debt by
instalments. It would seem
that this member is almost
the solitary instance of having
carried out the intentions of
Govt in regard to the loans advanced
to these coffee banks with a view to
benefit the planting industry.
her possession Khaps of Golconda
estate Salkespur Agl Bank
member was allowed Remission
of interest with payment of
the principal spread over
10 years in instalments. If
only to such as an encourage-
ment

T

NOTE—Contn. sheet.

GPB—55,000—27-4-09

Serial No.

to other indebted members
these members deserves to be
granted the concession he
prays for.
Sd
23/3
23/3/10

Please put up G.O. of 6-1-05
referred to in instruction no 7
issued in para 7 of G.O. of 1-3-06.
Sd
24-3-10

7

The debtor is required to mortgage all
his property as security for the amount
due by him under clause 4 of para 5
of G.O. of 6-1-05 and instruction no 7
issued in para 7 of G.O. of 1-3-06. The
property of the members of the Lake
Coffee banks pledged as security for
the loans obtained by them had deteriorate
Considerably and when individual
responsibility was substituted for
joint liability it was necessary
to provide for demanding more
property to be mortgaged with
a view to make the security

NOTE—Contn. sheet.

GPB—55,000—27-4-09

Serial No.

for Debt adequate Then vide the Sheet
~ the orders referred to Where however
a debtor's property already mortgaged
by him is sufficient security for
the amount due by him, there would
be no necessity to demand any
addition to the security already
offered. In the present case, the
Dy Commr states that the debtor
is quite solvent & that his loan
is fully covered by the properties
already pledged by him to
secure his debt. In such
cases there is no need to
insist on the debtor mortgaging
all the other property owned by him.
The debt is adequately secured &
its repayment is regular. And
the mortgaged property is stated
to be in excellent condition. The
debtor need not therefore be
called upon to mortgage his
other property. It is only if
this demand is made that
he will ask for remission
of the interest due by him &
offer to pay the balance of loan

GPB—55,000—27-4-09

Serial No.

immediately.

The debtor no doubt deserves remission of interest as his previous payments have been regular & as he also offers to pay up the entire balance of loan at once. As stated by the Dy Comm^r. in a less deserving Case (that of Mr Usman Sab) the Concession of remission of interest has been shown. But there is no need to remit interest in the Case of Mr. Chandre Gowda. He does not ask for this relief unless Compelled to pledge all his other property & there is no no need for Compelling him to do so. The loan & interest on it are quite safe & they will be realised within the prescribed time. In such Cases we need not forego the whole or part of the interest only for the purpose of closing this debtor's accot.

Note—Contn. sheet.

GPB—55,000—27-4-09

G.R.S. 12]
General and Revenue Secretariat.

B File No. 8 of 190 9

Serial No.

There is no need to close a Solvent debtor's account before the prescribed period has run out, especially when such closing would result in a loss of (Rs 1611 + 1780) Rs 3391.

Please put up a draft stating that as the Dy Commr. is satisfied that the property already mortgaged by Mr. Chandra Gowda is adequate security for the amount due by him, the debtor need not be called upon to pledge the rest of his property.

Sd/-
21.7.10

Draft sub'd to Genl Secy

Sd/-
1/4 Mark

Sd/-
24.7.10

It is not quite clear from the D.C's letter that the properties mortgaged to the bank are by themselves sufficient security for the loan at their present valuation. If this is the case no additional security need be

NOTE—Contn. sheet.

GPB—35,000—27-4-09

G. R. S. 12]
General and Revenue Secretariat.

B File No. 8 of 1909

Serial No.	
	demanded. The point maybe made clear by a reference to the D.C. GS 7/4/09
GS	Draft noted 8/4 Issued 8/4.10
27	To the Dy Commr Kadur Dt No H 605 f 8/12-4-1910 Requests to be informed whether he considers the properties mortgaged to the Bank by Sri Chandra Gowda at present are ample security for the loan at their present valuation.
32	From the Dy Commr Kadur Dt No 390 f 11-4-10 States that Sri Chandra Gowda has paid up on the 6th instant Rs 8333-8-8 the full amount of principal due by him & requests orders in the matter of the remission of interest so prayed for by Sri Chandra Gowda. The letter calling for the informatn

NOTE—Contn. sheet.

GPB—55,000—

Serial No.

required by the Secy should have crossed the one from accrued from that Dy Commr asked for order.

Secl 14/4

14/4/10

There was honour to have asked Mr Chandra Sorda who was, according to their own showing, solvent and whose property fully covered the loan due by him. Without demand for further security that led him to postpone instant repayment of the loan provided the interest due thereon was remitted. The Dy Commissioner now reports that the principal due by him has been paid. The amount of interest accrued on the loan is Rs 3549-1-5. In consideration of this member having paid his instalments regularly and now finally paying up all the principal in one lump sum, the interest may be remitted. In the case of Mr Osmon Khan of Sahebpur, first remitted interest and made the principal payable in instalments Now first bound be ~~to bring~~ losing Rs 3549-1-5 the Concession seems to have been fairly earned.

Case worked up in brief as per Dy Commr's letter

(Secretary)

14.4.10.

G. R. S. 12]
General and Revenue Secretariat.

18

13 File No. 8 of 190

Serial No.

~~I do not see that there is sufficient reason to revise the interest~~

As orally ordered by the Secretary a statement of the transactions of Rai Bhendra Gowda with the Cochinmayalur Bank ever since its inception in 1897 as far as can be ascertained from the papers available here is herewith submitted.

X

1st Statement 20-8-98 — Amount drawn for discharge of previous debts 12000 Rs

For working expenses 9000 Rs

21000 Rs

Y

2nd Statement 12-4-99 — For discharge of previous debts 16000 Rs

working expenses in 1897-98 5000

which was subsequently repaid

working expenses for 1898-99 — 9000 Rs

Total due 25000 Rs

3rd — Z — 10-3-1900 Rai Bhendra Gowda appears to have sold an estate which was hypothecated to the Bank without obtaining permission from the proper authorities In a special meeting held on 9-3-1900 Rai Bhendra Gowdas apology in respect of the above trans

NOTE—Contn. sheet

BPG—55,000—27-1-09

Serial No.	
	transaction was accepted & a resolution was passed to accept his proposal to pay up at once Rs 7638-11-9 out of his total dues of Rs 22638-11-9 leaving a balance of Rs 15000 yet remaining to be settled.
W 30-12-1900.	The month Statement came across & one dated 30-12-1900. & gives the transactions of the members as they stood on 31st Dec 1900 in the bank books As per that Statement Sri Chandre Gowda had a loan of 33200 Rs had repaid 18050 Rs amount of principal Thus due 15150 Rs & interest 528-14-2.
V 19-2-1902	In the inspection report dt 19-2-1902 it is stated that Sri Chandre Gowda, owed to the Bank Rs 14150 towards principal & Rs 481-1-3 towards interest.
T 18-11-04 No A camp from the Dy Commr Kadur	In the report preceding the winding up of the Bank the Dy Commr stated that Sri Chandre Gowda is one of the 2 members that had not taken advantage of the Govt allotment for working expenses as sanctioned under G. O 2407 dt 28th Nov 1902

NOTE—Contn. sheet.

GPB—55,909—27-4-09

Serial No.

His estate was ever reported to be in good condition.

Papers under reference

From the Dy Commr Kadur Dt
No 405 / 16-4-10
Reports that the properties mortgaged to the Bank by Sri Chandre Gowda are at present by themselves sufficient security for the loan at their present Valuation.
Submitted for orders.
Asst
22/4
MR
22/4/10

As already noted there was no necessity to have asked Sri Chandre Gowda to furnish additional collateral security the moment when the properties mortgaged formed sufficient security for the loan. As he promised to pay the whole amount of his outstanding provided the interest up to date accrued on the loan was remitted and still while that offer was pending acceptance he has actually paid his dues in one lump sum. It does not appear he was a defaulter transferee from He cannot be considered a defaulter prior to 1909-14-11 as he has taken time to pay his debt. He has

NOTE—Contn. sheet.

GPB—55,000—27-4-09

G. R. S. 12]
General and Revenue Secretariat.

B File No. 8 of 1909

Serial No.

paid the money conditionally upon the interest being remitted. What Can not be done it is for Consideration whether the money recovered from him should be paid back and regular Steps taken as in the Case of other debtors.

(Secy) 22.4.10

It seems to me that this is not a case in which interest ought to be remitted. The debtor is no doubt very solvent & has derived benefit from the ~~loan~~ use of govt money at very much less than usual market rate of interest. He has been exempted from ~~the~~ joint liability for the debts of the bank — a most valuable concession in his case — as if the joint liability had been enforced he would have been quite sold up to meet the ~~debts~~ loss on the debts due from the other members

Of course in dealing with practically insolvent debtors it is good policy for govt to recover at least a portion of the principal & to forgo the interest & even a portion of the principal.

Note—Contn. sheet.

GHB—35,000—27-4-09

Serial No.

In cases where a man may be solvent but is in difficulties, when any little concession will go much towards setting him up again or he feels ~~that help him to~~ the remission of the interest maybe justified.

But no such justification exists in the case of a fully solvent person like Chandre Gowda. It is no reason to forgo the interest in his case because such a concession was shown to some other man in less favourable circumstances.

In this case Chandregowda maybe told that the interest cannot be remitted & he maybe allowed to pay the balance (3500 Rs odd) in some instalments. No security other than the lands already mortgaged to the bank need be asked for

Dewan

(Lawrence Murray of Cossmanstacks case - but) It is well that Government such

4/5

5970
6-5-10

C/B
2575/10
4/5/10

GPB—55,000—27-4-09

Serial No.

Such a Chemical Agent as apparently is should not be given out & sanctioned on by hand hearsay - Govt. comply with the Dy Cs recommendation provided the account is fully paid up (all but interest) & closed

Sd 30/9/09

Put up orders early

sd 1/8/10

4/1.8.10

Draft Sale Deed (Pulses)

sd 3/8

sd 3/8/10

4/4-8-10

Issue

sd 1/9/10

4/5.9.10

34 To the Dy Commr Kadur 4/

" Hassan

" Comptroller

No H/232-4 dt 6.9.10

Remits the amount due by the

NOTE—Contn. sheet.

GPB—55,000—27-4-09

G. R. S. 12]

General and Revenue Secretariat.

File No. 8 of 1909.

Serial No.	
	Sinkana & Kuruks that are to be closed

Note.—Contn. sheet.

GPB—55,000—27-4-09

II
18/3

4-3925

190 (2-6)

From

The Deputy Commissioner

Kadur District.

To

The Secretary to the Govt.

of Mysore, Gen & Rev. Depts.

Dated 12th March 1910.

Despatched

Received

General No. 355

No.

Enclosure No. 1

Submitting for orders of Government the application of Mr. Chandre Gowda regarding the payment of the loan due to the late Agricultural Bank at Chikmagalur.

Office of the Deputy Commissioner,
Kadur District,
Dated, Chikmagalur, the 12th March 1910.

From

K.R.Srinivasa Iyengar, Esquire, M.A.,
Deputy Commissioner,
Kadur District.

To

C.S.Balasundaram Iyer, Esquire, B.A.,
Offg: Secretary to the Government of Mysore,
General and Revenue Departments.

Sir,

I have the honor to state that Mr. A.Chandre Gowda member of the late Chikmagalur Agricultural Bank owed to the Bank at the end of March 1906 - the date of its winding up —

Rs. 12114-4-9 towards principal
Rs. 1611-15 towards accummulated interest
or a total of Rs. 13725-6-2. The annual instalment on this amount was fixed at Rs. 971-14-9. The sum total of the 4 instalments due from the member to the end of 1908-09 was Rs. 3887-11-0. Towards this sum, the member has paid up the following amounts:-

Rs. 500/- in 1905-06.
Rs. 2208-13-4 in 1906-07.
Rs. 100-0-0. in 1907-08.
Rs. 971-14-9 in 1908-09.

Total Rs. 3780-12-1.

The balance that remains due towards the instalments up to date is only Rs. 106-14-11.

Mr. Chandre Gowda having been called upon to execute an agreement as directed in Government order Fl. 5286-9/ B.2 -05-17 dated

1st March 1906, executed one in September 1909; but in doing so, he hypothecated only such of his properties as had been already mortgaged to the Bank and did not include in the document his properties of later acquisition. Finding that the exclusion of the latter was against the above order of Government, I called upon Mr. Chandre Gowda to execute a further agreement hypothecating all his properties now in his possession and enjoyment without exception. The member has thereupon presented the enlcosed petition urging that the inclusion of all his properties in the mortgage to Government would prevent him from raising monies whenever required for the working expenses of his estates and for other purposes from private money lenders, and that if the Government were nevertheless to insist on his hypothecating all his properties, he may be permitted to pay up the entire amount of the principal of his loan, but the accummulated interest amounting to Rs. 1611/-, shewn against him at the time of the winding of the Bank in March 1906 and the current interest (amounting to about Rs. 1780/-) which accrued since that date, may be remitted. In asking for the above concession, Mr. Chandre Gowda appears to have had in view the order of Government No. Fl. 8341-3/B.11-0 dated 27th March 1909, wherin they have sanctioned a similar concession to Mr Oosman Sab of the late Saklespur Agricultural Bank, whose case was a less favorable one than that of Mr. Chandre Gowda, as he had undertaken to pay up his loan in 10 annual instalments while Mr. Chandre Gowda is prepared to pay up immediately the entire amount of principal outstanding against him if his prayer for the remission of interest be sanctioned.

In the above circumstances, I beg to be favored with the orders of Government on Mr. Chandre Gowda's application.

I may state here that Mr. Chandre Gowda is one of the few members who are quite solvent and his loan is fully covered by the properties. The estates of Mr. Chandre Gowda have been well worked and are in excellent condition; and

there is therefore, no fear whatever of the loan not being realized from the party. If I send up his application to Government for orders, it is only because a precedent has been created in Mr. Oosman Sab's case referred to above, and the Government may perhaps, consider it desirable to close the accounts with as many of the Bank members as possible even at the sacrifice of some amount of interest.

I have the honor to be,

Sir,

Your most obedient servant,

Deputy Commissioner,

Kadur District.

1089.

Rec'd.
2 March 1910.
Endorsement Sent.
& Petr asking
him to pay
up the amount
at once so that
his request
may be acted
upon further
order will
follow

5282
14.3.10

G.R.S. 26]

File No. 8

Serial No. 27

Diary No. of letter replied to 3729

No. B 5755

dy 12-4-1910

General and Revenue Secretariat
(Banking)
the 190

To
The Dy Commr
Kadur Dt

Date of issue 12 April 1910

Signed by W Lakshmi
Narasimha Row

Sir,

In acknowledging reference to your letter No 353 of 12th March 1910 submitting for orders the application of Sri Chandra Gowda, a member of the late Agl Bank at Chikmagalur regarding the execution of the hypothecation deed as required in G.O No H 5286-9/B2-05-17 dt 1-3-1906 I am directed to request you to

over.

S

SUBJECT.

do good as to inform
Govt whether you
Consider the properties
mortgaged to the
Bank by our Cheque
Govts apprehend by themselves insufficient
security for the
loan at their present
Valuation.

I have etc

for Secy

List of enclosures,

Copied by PDJ *9/11/10.*

Examined by

GPB– 16,000–23-5-08

08-09

(32)

190 Bank

54150

From

The Deputy Commissioner

Kadur District.

To,

The Secretary to the

Government of Mysore,

Dated 13/4/10 Genl. and Rev.Depts.

April 1910.

Despatched

Received

General No. 390

No.

Enclosure No.

Requesting that early orders of Government may be obtained in the matter of the remission of interest due by Mr Chandre Gowda a member of the late Chikmaglur Agricultural Bank

---

Office of the Deputy Commissioner, Kadur District.

Dated Chikmaglur, the 11 th April 1910.

From.

K.R.Srinivasa Iyengar, Esquire, M.A.,

Deputy Commissioner

Kadur District.

To.

C.S.Balasundaram Iyer, Esquire, B.A.,

Offg Secretary to the Govt. of Mysore,

General and Revenue Departments.

Sir,

In continuation of my letter No. 355 dated 12th March 1910, submitting for favor of the orders of Government, an application received from Mr. A.Chandre Gowda, member of the late Chikmaglur Agricultural Bank, praying that in consideration of his paying up the whole of the principal of the loan due from him to Government the interest, both accumulated and current, may be remitted, I have the honor to state that as promised by him, Mr.Chandre Gowda has paid up, on the 6th instant, Rs 8333-8-8 in full satisfaction of the principal amount due from him. I request that early orders of Government may be obtained in the matter of the remission of interest as prayed for by Mr. Chandre Gowda in his application referred to above.

I may add here that the interest on the principal due from the above member calculated a t 4% per annum from the date of the winding up of the bank up to the 1st of April 1910 amounts to Rs.1938/-; which with the accumulated arrears of interest of Rs 1011-1-5 due at the time of the winding up of the bank will amount to Rs.3549-1-5. Mr. ChandreGowda prays that this amount of interest may be remitted in consideration of his having fully paid up the dues towards the principal.

I have the honor to be,
sir,
Your most obedient servant,

S. C. Balasundaram Iyer

for Deputy Commissioner Kadur District

1910 (83) 04240

From

The Deputy Commissioner,

Kadur District.

To

The Secretary to the

Government of Mysore,

Genl. and Rev. Depts.

Dated 16th April 1910

Despatched 16th "

Received

General No. 405

No.

Enclosure No.

Stating that the properties mortgaged to the Bank by Mr. Chandre Gowda are by themselves sufficient security for the loan at their present valuation.

Office of the Deputy Commissioner, Kadur District.

Dated Chikmaglur the 16th April 1910.

From

K.R.Srinivasa Iyengar, Esq., M.A.,

Deputy Commissioner,

Kadur District.

To

C.S.Balasundaram Iyer, Esq., B.A.,

Offg. Secretary to the Government

of Mysore,

General and Revenue Departments.

Sir,

With reference to your letter No. F15055/P.S-09-27 dated 12th instant, requesting to be informed whether I consider the properties mortaged to the Bank by Mr.Chandre Gowda at present are by themselves sufficient security for the loan at their present valuation, I have the honor to state that the security is quite sufficient.

2 I beg to invite reference to my letter No.390 dated 11th instant, in which I have reported the payment by Mr.Chandre Gowda of the full amount of the Principal amounting to Rs 8333-8-8, leaving unpaid only the interest of Rs 3549-1-5 which he has prayed to be remitted.

I have the honor to be,

sir,

Your most obedient servant,

Deputy Commissioner,

Kadur District.

G.R.S. 28]

File No. 8-07
Serial No. 34

Diary No. of letter replied to 4210

Proceedings of the Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE SECRETARIAT.
(Banking)

the 190

Date of issue 5-9-10

Signed by W. S. Narasimha
Rom. B/18th March 10 to receive exemption from

READ—
Letter No 355 B/ 12th March 10 from the D/Comm Kadur submitting proceedings on an application from Mr Chandre Gowda an indebted member of the Tarikere Agricultural Bank representing that the managing committee of his properties refused to pay Rs 286-9 1906 M/M 52-05-17 to secure exemption from the Joint Revenue liability hitherto incurred would prevent him from raising money in the open market for working expenses and offering to pay up the whole of the principal due at once and requesting that interest due thereon may be remitted.

2. Letter No 390 B/ 11th April 10 from the over

ORDER THEREON.—NO.

SUBJECT

GPB—6,000—13-5-08

same office reporting that the full amount of the principal due Rs 8333-8-8 has been paid into the Treasury and requesting orders in the matter of ~~paying~~ remission of interest amounting to Rs 3549-1-5.-

I direct that on ~~Government~~ in the circumstances explained above, are pleased to remit the interest due by the Applicant and direct that the accounts be closed

No Pb 1232-4
88-09 } 5-9-10.

V.B. 4/9/10
Secretary

4/
4.8.10.

To the Honble Nadir
To the Hon. Hasan
To the Comptroller.